

August 1, 2002

Ms. Mary Cottrell  
Secretary  
Department of Telecommunications and Energy  
One South Station, 2<sup>nd</sup> Floor  
Boston, MA 02110

Dear Ms. Cottrell;

I am submitting these comments in response to DTE 02-38, "Order Opening Investigation into Distributed Generation," and in my official capacity as Senior Vice President, Trigen Boston Energy. Trigen Boston owns, operates and maintains the centralized heating and cooling system which delivers highly efficient thermal energy to more than 230 commercial and institutional customers in the City of Boston. We have installed two back pressure turbines which are used for distributed generation in Boston, specifically, at our main generating station at Kneeland Street and a second at the Suffolk County Jail. In addition, we have extensive DG experience in North America where we have dealt with issues of utility interconnection, standby rates and service and fully understand the economics necessary to support DE projects.

It is with this level of knowledge and expertise that Trigen offers the following in response to DTE 02-38:

**A. Interconnection standards**

Trigen supports a system, which would establish uniform interconnection standards for equipment, safety, reliability and installation. We would encourage the DTE to establish expedited interconnection:

- ?? Projects < 20 mw
- ?? Pre-established customer generated application process
- ?? Approval within 30 days or similar reasonable timetable

Projects in excess of 20mw and those that expect to export to the grid would undergo a more vigorous examination by the DISCO; however, this process would be completed in no more than 90 days. This process would eliminate unnecessary technical requests, utility gamesmanship and financial waste on legal and consulting fees.

## **B. Standby tariff**

Trigen feels the need for clear and consistent standby tariffs. We advocate a two-tier approach:

- ?? Base rate – to be used when the DG customer has an unscheduled need to utilize the grid. A time of day pricing mechanism with a capacity charge on a per diem basis.
- ?? Variable rate – time of day and use charge without a capacity charge for off peak/off season scheduled access to the grid system.

We would also strongly suggest that the DTE develop an incentive system for load shedding which would serve as a financial incentive to customers when the grid is operating at peak demand. This would enhance the overall economics of the DG project.

## **C. Other Issues**

We feel strongly that the current “public way” protection of the local DISCO is very much outdated and is in need of major modification. We feel that in this modern day of technology and technical expertise that a customer should be able to supply on site power to an adjacent facility given a set of reasonable, pre-established interconnection guidelines. This approval should be on an expedited basis and free from utility gamesmanship and the financial burdens of regulatory red tape, legal costs and third party consulting studies.

Trigen congratulates the DTE for taking the initiative to better understand the opportunities available in an open and vigorously competitive distributed generation market. In summary Trigen advocates for:

- ?? A uniform set of interconnection standards and expedited implementation process free of unnecessary financial burdens and free from utility gamesmanship.
- ?? Standby rates which are consistent, fair and market based.
- ?? Financial incentives for load shedding during critical demand periods.
- ?? Elimination of the outdated “public way” wires provision.
- ?? The positions taken by the Northeast CHP Initiative.

Trigen Energy is committed to working with the DTE and the other stakeholders in establishing the necessary guidelines and policy for a successful distributed generation market. We urge the DTE to follow through on this process for initial participation and comment and convene a group of stakeholders to undertake a best practices review of other states initiatives and craft policies to create and maintain a level playing field for DG in Massachusetts.

Sincerely,

Robert P. Whitney  
Sr. Vice President